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ABSTRACT

This paper presents the results of a survey conducted to discover what programs are being offered to independent colleges and universities and their students by the supporting states. The states included in the survey are Alabama, California, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Ohio, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, and Wisconsin. The agency to be contacted for aid is included with the discussion of each state. (HS)

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NATIONAL COUNCIL OF INDEPENDENT COLLEGES AND UNIVERSITIES

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Washington, D.C. 20036

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A SURVEY

OF STATE PROGRAMS OF AID

TO

INDEPENDENT COLLEGES AND UNIVERSITIES

AND THEIR STUDENTS

HE 002 792

Compiled by Dr. Elden T. Smith
from information supplied by the
executives or officers of state
associations of independent
colleges and universities

October 1, 1971

October, 1971

ALABAMA

Council for the Advancement of Private Colleges in Alabama
Dr. John Van Valkenburg, Huntingdon College, Montgomery, Alabama 36106
Secretary-Treasurer and Acting Association Executive Director

STUDENT AID

As of this date, a bill has passed the House and is in committee in the Senate which would make grants to Alabama students attending Alabama private colleges. In the first year of its implementation the grant per student would amount to 25% of the average amount per student the state appropriates for a student attending a state supported institution. In the second year the amount would be 35% and, thereafter, 50%. For example, in 1969 the average state appropriation per student attending the publicly supported institutions was $991. Under the provisions of the bill, each Alabama student attending a private college would receive a grant of approximately $245 in the first year the bill is effective. In the second year of its operation each grant would be $345, and thereafter the amount would be $495.

INSTITUTIONAL AID

The state of Alabama makes grants to certain independent colleges and universities. Marion Institute, a private preparatory school and junior college, received $75,000 in 1970-1971 and $125,000 in the biennium 1968-1970. Tuskegee Institute received $470,000 in 1970-1971, the same amount it had received previously. Walker Junior College received $94,000 in 1968-69 and $75,000 in 1970-71.

FACILITIES ASSISTANCE

Alabama has no program of facilities assistance to private colleges but the grants mentioned above are unrestricted and could be used for such purposes.

LEGAL BARRIERS

The Alabama constitution prohibits the use of public funds for church related institutions. Constitutional revision is in process.

FUTURE PLANS

The Council for the Advancement of Private Colleges in Alabama is a new organization. Its attention has been centered on the legislation now in process. Future plans will depend upon the action of the

Alabama continued:

legislature but it is expected that a long-range program will be developed.

CALIFORNIA

Association of Independent California Colleges and Universities
Dr. Morgan Odell, Executive Director
One Wilshire Building, Suite 1012
Los Angeles, California 90017

STATE SCHOLARSHIP PROGRAM

The State Scholarship Program was begun in 1956. Scholarships are awarded to residents of the state for use in the state. From the modest beginning of 640 scholarships in the first year with an appropriation of approximately $230,000, the program has grown to 21,500 scholarships and an appropriation of $15,750,000 for 1971-72. It is expected that the number of scholarships will increase to 35,000 by 1975-76 with an appropriation probably in excess of $30 million. Approximately one-half of the awards and 80% of the funds go to students in the independent colleges and universities. The maximum grant is $2000, although a reduction in funding cut the effective maximum to $1850 at least temporarily. A bill before the legislature would increase the maximum to $2500 but there is doubt that the Governor will approve this measure.

There is virtually unanimous agreement among college officials, state officials, legislators and the interested press that the program is meeting its three principal objectives of (1) providing educational opportunities for able but needy students, (2) diverting students to independent institutions and (3) helping indirectly to keep independent institutions strong and vigorous. Independent college presidents agree that the scholarship program helps their institutions by bringing them outstanding students and by relieving the student aid budget of the college.

The program has been an important factor in the enrollment growth of the independent institutions. It is also pointed out by observers that the program has been responsible for beneficial changes in the composition of student bodies of individual institutions. They are less homogeneous and scholarship winners are often people who stimulate the life and learning of the campus.

As in certain other states, the student financial aid program has enabled the state to conserve its financial resources by making maximum use of the resources of independent institutions and thus minimizing the cost of expansion of higher education to the taxpayer.

California continued:

COLLEGE OPPORTUNITY GRANT PROGRAM

The College Opportunity Grant Program, aimed at disadvantaged and minority students, is now beginning its third year of operation and is functioning well. To date, it has offered limited advantage to the independent sector, however, because most students receiving such grants first enter the junior colleges. Some of these students will be enrolling in the independent institutions as transfer students in the fall of 1971 and the number will increase each year. The College Opportunity Grant includes tuition and subsistence, and the Commission may utilize objective and experimental methods in selecting the 1000 new winners who are selected each year. It is expected that a bill to increase the number of awards to 2000 per year will be approved by the legislature and possibly by the Governor.

GRADUATE FELLOWSHIP PROGRAM

The result of a recommendation of the Master Plan for Higher Education in California, The Graduate Fellowship Program, was originally intended to increase the supply of college faculty members. Established by the legislature in 1966, it has in many ways parallelled the State Scholarship Program. Graduate Fellowships are limited to tuition and fees, and the program has been of significant assistance to students at independent colleges. In 1970-71 there were approximately 950 fellowships with a budget of $950,000. The Fellowship Program, however, is not funded in the 1971-72 budget on the ground that there is no longer a shortage of teachers. A bill to remove the teaching emphasis from the program and open it to graduate students in all disciplines and professions is expected to clear the legislature and may be signed by the Governor. This would open the possibility for funding of the Fellowship Program in future years.

LEGAL BARRIERS

The constitution of the state of California forbids direct institutional grants to independent institutions. An effort was made in the 1970 session of the legislature to obtain authorization for a required vote of the people on changing the constitution with respect to this issue.

NEW LEGISLATION

A bill to permit the state to contract with independent medical schools to increase their enrollments probably will be approved by the legislature and signed by the Governor. The new program would pay $12,000 per year for each additional student enrolled.

California continued:

STATE AGENCY

Mr. Arthur S. Marmaduke, Executive Director
State Scholarship and Loan Commission
714 P Street
Suite 1640
Sacramento, California 95814 Telephone: 916-445-0880

CONNECTICUT

Connecticut Conference of Independent Colleges
Dr. A.M. Woodruff, President
University of Hartford
West Hartford, Connecticut 06117

STATE SCHOLARSHIP PROGRAM

Any Connecticut student who has been accepted for study on a full-time basis at any post-secondary school, technical institute, university, medical school or other approved graduate school within or without the state is eligible for a state scholarship. In granting such scholarships, the State Scholarship Commission, which is charged with the administration of the program, must take into consideration financial need, character and ultimate potential, as well as academic achievement. The amount of the scholarship may not exceed $1000 annually. For the biennium, 1969-71, the funding for this program was $2,440,000. For 1971-72 it is funded at $1,330,000. A reduction in funding cut new freshman awards from 840 to 200.

TRANSITIONAL GRANT PROGRAM

In awarding these grants, the State Scholarship Commission must give primary consideration to potentially capable students whose educational achievement has been or is being restricted by economic, social or environmental disadvantages. Grants may not exceed $1000 annually for such students. The Commission for Higher Education is responsible for the awarding of annual grants to institutions of higher education in Connecticut to aid the financing of programs of special guidance, tutorial assistance, and other special services designed to develop the potential students receiving grants in this program. The amount of such institutional grants shall not exceed $500 per student enrolled in an institution under the program. The amount of funding for 1971-72 is $190,000.

SPECIAL AWARDS

Connecticut appropriated $112,000 to fund scholarships for the children of deceased veterans and to provide incentive to students enrolling in

Connecticut continued:

programs intended to relieve a shortage of teachers.

CONTRACT AUTHORIZATION FOR PROVIDING ADDITIONAL STUDENT SPACES

In 1969, the Connecticut legislature passed a bill authorizing the Commission for Higher Education to contract with independent Connecticut colleges for the provision of spaces in such institutions for additional Connecticut students. An amount equal to 125% of current tuition may be paid for each such additional space, providing the amount so paid shall not exceed the cost to the state of educating students at a comparable level in the publicly supported institutions of the state. Each contracting institution shall agree (1) to attain a full-time undergraduate enrollment designated by the Commission for Higher Education and in excess of the full-time undergraduate enrollment reported to the Commission for Higher Education, (2) to increase the number of Connecticut full-time enrolled students to a number specified by the Commission for Higher Education in excess of the number of such students reported to the Commission for the preceding academic year, and (3) to provide Connecticut students attending such institutions with financial aid, which at a minimum, shall be equal to 80% of the amount received from the state by the contracting institution under this act.

CASE FOR PROMOTING PARTICULAR PROGRAMS

Those responsible for planning aid to higher education must continue to recognize the very great need for financial aid to students. In addition to the usual arguments in support of this thesis, there is an increased realization that parents jeopardize their own security for future years if they must continue to struggle to pay high tuition for college tuition for their children. Society gains little if citizens are allowed to deplete their funds on higher education to a degree which may make them public charges in their later years.

PROPOSALS FOR FUTURE PROGRAMS

The Connecticut Conference of Independent Colleges recommended to the Commission for Higher Education and the 1971 General Assembly that Public Act 627, the contract legislation, should be amended so that grants would be based on the number of Connecticut students enrolled in the independent sector rather than on enrollment increases. It was further recommended that the State Scholarship and Loan Program should be greatly expanded so that it could give Connecticut residents an opportunity to choose between the public and independent sector for the pursuit of higher education. It was also recommended that contract programs should be developed to be implemented by the independent institutions or by the independent institutions acting in concert with public colleges and universities.

Connecticut continued:

FACILITIES FINANCING

The State of Connecticut Health and Educational Facilities Authority was created in 1969 and it is authorized to issue tax-exempt revenue bonds for the construction of facilities by an institution for higher education, public or private, and by hospitals.

STUDY OF INDEPENDENT HIGHER EDUCATION

In March, 1971, Arthur D. Little, Incorporated, reported to the Commission for Higher Education of the state of Connecticut in a document entitled "An Assessment and Projection of the Resources and Needs of Independent Higher Education in Connecticut." Copies of this report may be available by writing to Dr. Warren G. Hill, Chancellor of Higher Education, at the address listed below.

STATE AGENCIES

Dr. Warren G. Hill
Chancellor of Higher Education
The Commission for Higher Education
P.O. Box 1520
Hartford, Connecticut 06115

Mr. Robert C. Hector
Executive Director
State of Connecticut Health and Educational Facilities Authority
60 Washington Street
Room 1105
Hartford, Connecticut 06106

FLORIDA

Independent Colleges and Universities of Florida, Inc.
5013 Central Avenue, St. Petersburg, Florida 33710
George P. Russell, Executive Director
President, Dr. Jack B. Critchfield, Rollins College, Winter Park, Florida

STUDENT AID

The 1971 session of the Florida legislature made substantial changes in the state scholarship and loan programs by phasing out existing categorical type scholarships awarded on the basis of professional goals without regard to financial need (Regents scholarships, nursing scholarships, teaching scholarships) and by increasing student loan funds to be awarded on the basis of need. ICUF was successful in having deleted from this bill a provision which would have assessed students attending private colleges $3.00 to $5.00 per semester as contributions to the state loan fund. The bill also provides for increased registra-

Florida continued:

tion fees at the state universities and public junior colleges and it limited monies allocated for loans to students attending private colleges to 40% of general revenue payments to the student financial aid trust fund.

A bill which would have provided up to $1200 tuition grants to Florida students to attend the public or private institution of their choice was approved by the Senate but failed to pass the House. A "loan philosophy" seemed to permeate the Florida legislature.

STATE BOARD

The legislature created a State Board of Independent Colleges and Universities. This Board, named by the Governor, includes five ICUF presidents and was created to control the fraudulent "diploma mill" problem which has plagued Florida higher education. ICUF feels that there are adequate safeguards to protect the freedom of legitimate private institutions in their founding days. The Board is in operation and an aggressive program of licensing is under way. Although certain desirable penalty clauses were not included, it is believed that appropriate amendments may be made which will enable the Board to eliminate the diploma mill problem forever.

THE FUTURE

Governor Reuben Askew has pledged his support to many ICUF concepts and is hosting a state-wide conference on higher education which would place emphasis on the role of the private sector and on true cooperation between both sectors. This conference will be held December 6 and 7, 1971, at the University of South Florida and ICUF presidents are playing a key role in the steering committee.

It is reported that public-private cooperation is reaching a new high and the private sector is considered in every piece of legislation affecting higher education. This is in sharp contrast to past years when the private colleges were struggling for recognition and the State University System dominated the scene. Much credit goes to ICUF and its leadership for the increasing recognition of the role of private higher education in Florida and its resultant active involvement in everything that goes on in the state government concerning higher education.

STATE AGENCY

State of Florida
Department of Education
Scholarships and Loans Section
563 Knott Building
Tallahassee, Florida 32304 Telephone 904-599-5746
W.W. Wharton, Administrator
Ernest E. Smith, Associate Administrator

GEORGIA

Association of Private Colleges and Universities in Georgia
3330 Peachtree Road, N.E. Suite 557, Atlanta, Georgia 30326
DuPree Jordan, Jr., Executive Director

STUDENT AID

The 1971 Georgia General Assembly passed legislation providing tuition grants to Georgia students attending the independent colleges and universities in the state. The enabling legislation provided that the tuition grants would take effect beginning July 1, 1972, but appropriation to implement the legislation will have to be made in the next session of the legislature. The bill which was passed authorized providing grants to citizens of Georgia who are students attending colleges and universities in the state which are not branches of the university system of Georgia. Each such eligible student attending an approved institution will receive $400 per academic year. An approved institution must be accredited by the regional accrediting association and must not have an academic program comprised principally of sectarian instruction or preparation of students for a religious vocation. Also excluded are institutions receiving state funds under the Junior College Act of 1958.

LEGAL BARRIERS

In order to enact the legislation described above, it was necessary to amend the constitution of the state of Georgia. Such an amendment was approved by the voters in November, 1970, and, significantly, was the only one of many different constitutional amendments on the ballot at that time to obtain approval.

Georgia provides various state scholarship and loan programs but, up to now, they have not been available to students attending private institutions. Whether the constitutional amendment will change this situation is not clear.

STATE AGENCY

Mr. Donald Payton
Georgia Higher Education Assistance Corporation,
Georgia Higher Education Assistance Authority,
State Scholarship Commission,
P.O. Box 38005, Capitol Hill Station,
Atlanta, Georgia 30334

ILLINOIS

The Federation of Independent Illinois Colleges and Universities
Admiral Alban Weber, Executive Director
990 Grove Street
Evanston, Illinois 60201

STUDENT AID

Illinois began a competitive state scholarship program in 1958 and a financial need award program in 1967. These programs provided in each case scholarships or grants up to a maximum amount of $1200 for residents of Illinois qualifying and attending Illinois institutions, both public and private. The programs were originally funded separately but for the past several years have been funded jointly. The funding for the 1970-71 school year was $33.1 million and for the 1971-72 school year was raised to $39.4 million. Approximately 48,000 students were served in 1970-71 and it is expected that approximately 58,000 will be served in 1971-72.

ILLINOIS EDUCATIONAL FACILITIES AUTHORITY

The Illinois Educational Facilities Authority was created by statute in 1970. This Authority will have the power to issue revenue bonds to be used for the construction of educational facilities at private educational institutions, the bonds to be secured by title to the facilities and guaranteed by rent assignments. The Authority has now been organized and has had its statutory authority challenged by a recent lawsuit involving Lewis College. It is expected that the constitutionality of the Authority will be upheld, although until the trial and necessary appeals are completed which are estimated to take a minimum of an additional six months, no additional issuance of more bonds is anticipated.

DIRECT AID TO PRIVATE COLLEGES AND UNIVERSITIES

The recent session of the Illinois Legislature passed, and the Governor has signed, a statute appropriating $6 million to the State Board of Higher Education to be distributed among the non-public colleges and universities of the State on the basis of direct grants of $100 to be paid to the college for each State Scholarship Commission grant or award recipient who is a freshman or sophomore, and a further grant of $200 to each college or university for each Illinois resident who is enrolled as a junior or senior.

Illinois continued:

STATE AGENCY

Dr. Joseph D. Boyd, Executive Director
Illinois State Scholarship Commission
731 Waukegan Road
Deerfield, Illinois 60015

INDIANA

Independent Colleges and Universities of Indiana
Mr. Norman Knights, Secretary
DePauw University
Greencastle, Indiana 46135

STUDENT AID

The State Scholarship Program was funded in the amount of $14.9 million for the biennium 1971-73. This level of funding represents a 100% increase over the previous biennium. Aside from the increase in dollars, perhaps the most significant change from previous provisions is the increasing of the maximum stipend from $800 to $1400. State scholarships are awarded on the basis of competitive examination but the factor of need is also considered.

The State Scholarship Commission also administers a new educational grant program in which grants are awarded solely on the basis of need to students who are admissible to any accredited college or university in Indiana. These grants represent a new step for the state of Indiana. Funding is minimal, approximately $1,250,000 for the biennium, but it is felt that an important principle has been accepted by the legislature.

TAX CREDITS

At the election of the taxpayer there is allowed, as a credit against the state income tax payment, an amount equal to 50% of the aggregate amount of charitable contributions made by such a taxpayer, during any given year, to institutions of higher education located in Indiana, or to the Associated Colleges of Indiana.

In the case of a taxpayer other than a corporation the amount allowable as a credit for any taxable year may not exceed 20% of the taxpayer's adjusted gross income, or $50, whichever is less. In the case of a corporation, the amount allowable as a credit for a taxable year may not exceed 5% of the corporations total adjusted gross income, or $500, whichever is less. Further information concerning Indiana's tax credit program may be obtained from Mr. John Martin, The Associated Colleges of Indiana, 1506 Merchant's Bank Building, Indianapolis , Indiana, 46204.

Indiana continued:

STATE AGENCY

Mr. Michael B. Cracraft, Executive Secretary,
State Scholarship Commission of Indiana
514 Senate Office Building
100 North Senate Avenue,
Indianapolis , Indiana 46204

IOWA

The Iowa Association of Private Colleges and Universities
Dr. Lloyd I. Watkins, President
716 Securities Building
Des Moines, Iowa 50309

THE SCHOLARSHIP PROGRAM

Established in 1965 for the benefit of Iowa students attending colleges within the state, the program is designed to encourage good students of limited means to continue their education. Awards are based on ability and financial need and are renewable for the sophomore year if the student makes satisfactory grades and continues to need financial assistance. Scholarships range from $100 to $800 depending upon the student's need and the tuition at his chosen college. Awards may be used only for tuition and fees at approved Iowa colleges. Monetary awards are usable at either accredited private or public institutions, or nursing schools. Funding for the academic year 1971-72 is $290,000.

THE TUITION GRANT PROGRAM

This program was established by the 1969 session of the Iowa legislature in order that more low and middle income students might attend the Iowa private colleges of their choice. Qualified students enrolled at participating colleges may receive as much as $1000 per year. The amount of the grant, based upon the family's estimated financial need, cannot exceed tuition and fees minus the average amount that a student would pay at a state university. Funding for 1971-72 is $4 million, and the same will be available for 1972-73.

RATIONALE FOR PROGRAM

Other than fulfilling the purpose of aiding Iowa students, the chief appeal of the tuition grant program was its promise of diverting students to independent institutions rather than the state universities and thereby saving the state the cost of building new facilities and adding professional staff. The "freedom of choice" argument also carried weight with the legislature.

Iowa continued:

LEGAL BARRIERS

No real barrier exists to the support of independent colleges and universities providing they are secular. A constitutional provision modeled on the first amendment of the Constitution of the United State would appear to prohibit direct aid to church-related colleges.

STATE AGENCIES

Mr. Norman Kladstrup
Higher Education Facilities Commission
201 Jewett Building
9th and Grand Streets
Des Moines, Iowa 50309

Mr. Leroy H. Peterson, Director
Office for Planning and Programming
State Capitol Building
Des Moines, Iowa 50319

Mrs. Willis Ann Wolff, Director of Student Aid Programs
Iowa Higher Education Facilities Commission
201 Jewett Building
9th and Grand Streets
Des Moines, Iowa 50309

KANSAS

Associated Independent Colleges of Kansas
Dr. D. Arthur Zook, Executive Director
Capitol Federal Building, Room 515
Topeka, Kansas 66603

PLANNING

A Master Planning Commission composed entirely of Kansans was established by the state legislature in 1970. An educational master plan for Kansas is to be developed by this Commission. An interim report is due the 1972 legislature, containing such preliminary recommendations as are appropriate and the final report is to be made to the 1973 legislative session. This final report is expected to include a wide and in-depth consideration of the role, functions and relationships of vocation-technical schools, community junior colleges, independent four-year and two-year colleges, municipally related Washburn University, and the six institutions under the jurisdiction of the State Board of Regents. Recommendations regarding a coordinated program of education beyond the high school level, including changes and financing responsibility of the state, are expected.

Kansas continued:

STUDENT AID

Scholarships. A competitive scholarship program (very limited), begun in 1963, provides approximately 150 freshman annual awards dependent upon financial need and limited to tuition or $500, whichever is the lesser, and renewable only once. Funding has been limited to $150,000 per year. The governor recommended that the 1971 legislature should discontinue this program and use the annual appropriation amount for a state guaranteed loan program. No action was taken on this recommendation by the legislature; the scholarship program was continued without change.

Tuition Grants. Identical bills were introduced in both houses in 1971, with heavy co-sponsorship by legislators, to establish tuition grants for Kansas students attending Kansas independent colleges. The salient points of the bills were:

1. Student is required to pay first $450 of total cost, plus whatever else he and his family could provide.

2. Tuition grant would then be determined on basis of financial need toward total cost, as determined by CSS or ACT, maximum allowable being amount of need, tuition, or $1,000, whichever is the least, balance to be met by loans, scholarships, work, etc.

3. Applicable for a maximum of eight semesters or equivalent.

The fiscal note provided for 3,500 grants at an average estimated amount of $800 each- total $2,800,000. The concept appeared quite acceptable to the legislature but an economy-minded session in which deep cuts were made in budgets failed to take final enabling action and funding. Bills were held over in both houses for further consideration and action by the 1972 legislative session. Copies of the bill may be secured by writing the Associated Independent Colleges of Kansas. (see above) .

LEGAL BARRIERS

The Kansas constitution stipulates that "No religious sect or sects shall control any part of the public educational funds". Since tuition grants are designed to be controlled entirely by a state agency and be given directly to students, it is believed the program is in the clear. Use of state scholarships at independent colleges has been possible ever since the inception of the scholarship program.

STATE AGENCY

Kansas State Department of Education
C. Taylor Whittier, Commissioner of Education
120 East 10th Street, Topeka, Kansas 66612

KENTUCKY

Council of Independent Colleges and Universities of Kentucky
Mr. Clifford R. Barnes, Executive Director
239 West Main
Frankfort, Kentucky 40601

STUDENT AID

No programs of student assistance other than a guaranteed loan program are in existence in the commonwealth of Kentucky.

A tuition grant bill was introduced in the 1970 session of the legislature which would have provided grants to students, the maximum amount not to exceed 50% of the average state appropriation for full-time equivalent students enrolled in the public institutions of higher education, with the awards to be based upon need. The maximum grant under the proposed program was approximately $500. The program was to have been phased in, beginning with the freshman class only, in the fall of 1970, and was extended to upperclassmen in the following years. The proposed funding for the 1970-72 biennium was 2.5 million dollars.

The bill was favorably reported by the Senate Education Committee with the negative votes being cast on the grounds of constitutional provisions regarding the separation of church and state. Although the majority of senators were reported in favor of the legislation, it was not voted out of the Senate Rules Committee.

FUTURE PLANS

It is reported that the proposal outlined above will be resubmitted to the 1972 session of the legislature.

LEGAL BARRIERS

As indicated above, some opponents of the tuition grants proposal do so on constitutional grounds. They maintain that even though the students receive the grants, the independent college is the intended receiver, thus the provision in the constitution that no tax funds may be used to aid any church, sectarian or denominational school is thereby violated.

STATE AGENCY

Mr. James T. Fleming, Director
Kentucky Legislative Research Commission
Frankfort, Kentucky 40601

MARYLAND

Maryland Independent College and University Association
Mr. Richard H. Francis, Executive Director
Goucher College
Towson, Maryland 21204

STUDENT AID

The Maryland State Scholarship Board administers a program of general state scholarships which range in amount from $100 to $1500 a year, awarded to qualified students who attend approved colleges and junior colleges in Maryland. Awards are based on financial need and results of the SAT examination. The Board also administers a number of other scholarship programs including scholarships in medicine at the University of Maryland, grants for war orphans, and children of disabled veterans. The level of funding for programs administered by this agency for 1970 was $3,471,293.

Maryland also has a system of Senatorial Scholarships and House of Delegates Scholarships, the recipients of which are designated by legislators. This program has recently come under fire because of alleged favoritism and the failure of the legislators to take into consideration the factor of financial need. The governor has proposed that the authority to award these scholarships be transferred to the educational institutions.

INSTITUTIONAL ASSISTANCE

Effective July 1, 1971, the state of Maryland is providing direct financial assistance to qualifying institutions of private higher education as follows:

$200 for each earned Associate of Arts Degree
$500 for each earned Bachelor of Arts Degree

To be eligible for participation in the program the institution must be accredited by the Maryland State Department of Education and by the regional accrediting body. Non-profit status must be certified and seminarian or theological degrees may not be counted in determining the amount of the state payment to the institution.

It is reported that some modifications may be proposed for this legislation. Accreditation my be dropped, or money may be payed to state resident graduates and for out-of-state graduates, and consideration is being given to the inclusion of graduate degrees in the formula. Any proposed changes will have to be submitted to the Maryland General Assembly. It meets in January, 1972.

Maryland continued:

FACILITIES ASSISTANCE

Although there is no specific program in Maryland for facilities assistance to private higher education, over the years many grants have been made to private institutions for this specific purpose. In 1966 the constitutionality of such grants was challenged in the case of Horace Mann League v. Board of Public Works of Maryland. By a 4 to 3 decision the court ruled that grants to certain of the private colleges were unconstitutional because of the degree of church relationship. It should be noted that suit was brought, not with respect to any prohibition of the constitution of the state of Maryland, but in relationship to the First Amendment in the Constitution of the United States. In any case, in this regard or defiance of the court's decision, the Maryland legislature in 1967 made small appropriations for annual operating expenses to twelve private and denominational universities and colleges including all four of those involved in the litigation.

STATE AGENCY

Mr. William Anthony, Executive Director
State Scholarship Board
2100 Guilford Avenue
Baltimore, Maryland 21218

MASSACHUSETTS

Association of Independent Colleges and Universities in Massachusetts
Mr. James A. True, Executive Director
Three Center Plaza, Room 230
Boston, Massachusetts 02108

STUDENT AID

General Scholarships: Annual awards are $700 in private institutions and $200 in public institutions, renewable for up to four years of undergraduate study. Over 3,000 awards to residents, based solely on financial need, will be granted for 1971-72. Funding 1971-72: $8 million.

Medical, Dental and Nursing Scholarships:

Nursing: based on need, awards are $200 in public colleges, $700 in private colleges, and $300 in diploma programs.
Medical and Dental: based on need, awards are $600 in public and $700 in private institutions. 1971-72 - $350,000.

The general schclarship program began in 1960 with $150,000, it grew to $500,000 by 1968, and for the entering class in September 1971, $3,500,000 was initially available. The current legislature added 4.5 million for a total of $8,000,000.

Massachusetts continued:

Massachusetts scholarships can be used anywhere in the U.S. Further, no less than 10% and no more than 25% of the scholarship funds can be used at Massachusetts public institutions.

The value of awards granted to Massachusetts residents, in 1970-71, by percentage:

Massachusetts public institutions	15%
Massachusetts private institutions	67%
Out of state public institutions	3%
Out of state private institutions	15%

EVALUATION OF EXISTING PROGRAMS

The scholarship program requires additional funding. A 1967 report, New Horizons, proposed a program, based on an estimated median parents' income of $10,500, that would require $26 million on an annual base in addition to existing federal, state, local and institutional efforts estimated at $20 million. If a larger percentage of students were from lower income families with $8,500 as median family income, the $26 million need would almost double. To further emphasize the need these figures do not consider increased educational expenses or increased enrollment. It is estimated that AICUM member institutions will provide $75,000,000 in scholarship aid in 1971-72.

FUTURE PLANS

Scholarship Program

AICUM supports a minimum of $15 million for aid in 1972-73, with proportional increases in medical, dental, and nursing scholarships.

AICUM is working with the Board of Higher Education to consider the possible public purchase of private institution "vacant spaces."

LEGAL BARRIERS

The General Court of the Massachusetts Bay Colony appropriated 400 pounds to establish Harvard College in 1636. The Massachusetts Constitution, written in 1780, recognized "The University at Cambridge" in Chapter V, Section I, and in Section II stated:

> "...it shall be the duty of Legislatures and Magistrates, in all future periods of this Commonwealth, to cherish the interests of literature and the sciences, and all seminaries of them;"

In 1814, the legislature granted $10,000 annually for ten years to Harvard, Williams and Bowdoin, (Maine was still part of Massachusetts

back then). Other grants, especially to technological schools continued until 1917 when a Constitutional Amendment, Article 46, prohibited expenditure of public funds or loans, for any non-public educational institution.

Amendment of the Massachusetts Constitution requires approval by two successive legislatures and ratification by public ballot. Massachusetts legislative sessions are two years in length, therefore, four to five years is required for change.

A proposal to allow establishment of a scholarship loan program was approved in 1969, and again in 1971. The proposal will be on the ballot in November 1972. A proposal to allow direct grants of public funds to private institutions of higher education was not approved; but, an attempt will be made again in 1972.

HEALTH AND EDUCATIONAL FACILITIES AUTHORITY

Chapter 614, Acts of 1968, created the Massachusetts Educational Facilities Authority. Chapter 454, Acts of 1969, added Health Facilities. An "Opinion of the Justices, Massachusetts Supreme Judicial Court," March 27, 1968, held the provisions of the act were within the constitutional authority. No pledge of state credit is involved. Tax-exempt bonds are issued for construction of health or educational facilities for private institutions. Interest and amortizations are paid by the institution for up to 40 years.

STATE AGENCIES

Dr. Edward C. Moore, Chancellor
Massachusetts Board of Higher Education
182 Tremont Street
Boston, Massachusetts 02111

Mr. Graham R. Taylor, Director
State Scholarship Office
Massachusetts Board of Higher Education
182 Tremont Street
Boston, Massachusetts 02111

Health and Educational Facilities Authority
10 Post Office Square
Boston, Massachusetts

REPORTS

New Horizons A report on Student Financial Aid in the Commonwealth of Massachusetts, Graham R. Taylor and Robert J. Kates, Jr., 1967, Massachusetts Board of Higher Education.

Massachusetts continued:

Higher Education Enrollment Study for Massachusetts Report of the select committee for the study of financial problems of private institutions of higher education in the Commonwealth of Massachusetts, January, 1970, Massachusetts Board of Higher Education.

copies of the above: Massachusetts Board of Higher Education
182 Tremont Street
Boston, Massachusetts 02111

The Constitution of the Commonwealth of Massachusetts, 1970, John F.X. Davoren, Secretary of the Commonwealth, State House, Boston, Massachusetts 02133.

Massachusetts General Laws, Chapter 15, Department of Education, available from the Board of Higher Education.

MICHIGAN

Association of Independent Colleges and Universities of Michigan
Mr. John L. Gaffney, President
830 Michigan National Tower
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Lansing, Michigan 48901

STUDENT AID

The Guaranteed Student Loan Program, enacted in 1960, is administered by the Department of Education through the Michigan Higher Education Assistance Authority. The program has the usual guidelines. A student may borrow up to $1000 per year for undergraduate study and $1500 per year for graduate study from participating banks and other lending institutions. Authority guarantees 100% of the principal. Loans are covered by disability and life insurance. As of January, 1971, there were about 35,000 outstanding loans in the combined program totaling about $29,500,000. Defaulted loans stood at 8.8% at that time.

Evaluation

The program has been successful except for the common problem of finding lending institutions willing to participate.

The Competitive Scholarship Program, enacted in 1964, is administered by the Department of Education through the Michigan Higher Education Assistance Authority. Applicants are ranked on a combination of test scores and class rank. Honorary awards go to those without financial need. Cash awards are made up to $800 per year for four years to those with financial need. For 1971-72 the Governor recommended and the legislature approved an appropriation of $8,200,000. It will provide about 16,400 renewal and freshman scholarships. Independent college

Michigan continued:

students will get about 20% of these scholarships and 25% of the money.

Evaluation

The program has been most successful. While the total association members' enrollment represents only about 15% of the state's total, the 20% and 25% demonstrate the attractiveness of the independent colleges. The legislature has given strong and consistent support to this program.

The Tuition Grant Program, enacted in 1966, is administered by the Department of Education through the Michigan Higher Education Assistance Authority.

The tuition grant program is based entirely on financial need. First semester freshmen must take the scholarship examination but scores do not affect their eligibility. A maximum award of $800 per year is available for four undergraduate years and for two years of graduate study. The awards are made to students attending a private, non-profit college within the state whose tuition charge exceeds $240. The student cannot be enrolled in a course, however, leading to a degree in theology.

The appropriation of $5,200,000 for 1970-71 is sufficient to fund all eligible applicants for a total of about 8,300 freshman and renewal grants.

Evaluation

This program has been of great assistance. While enrollments in member private colleges have increased only about 2% per year for the past two or three years, this is a higher figure than some other neighboring states.

TAX CREDIT BILL

This law, enacted in 1968, permits a taxpayer to elect to take a credit against his Michigan State Income Tax for contributions made to the general fund of any public or private, two or four year institution of higher learning in the State of Michigan. The allowable credit each year is as follows:

For individuals, the lesser of:
- -one-half the amount of the gift, or
- -20% of his state tax liability, or
- -$100.00

For corporations, the lesser of the following
- -one-half the amount of the gift, or
- -10% of its state tax liability, or
- -$5,000.00

Michigan continued:

Evaluation

Three years of experience have shown that the law has been helpful in generating both new and increased giving, but there appears to be a direct relationship between the amount the individual institution has been aided and the degree to which the institution has worked to exploit the provision of the law. Lawrence Avison, the Executive Director of the Michigan Colleges Foundation, Inc., reports that it has been most helpful to the efforts of the Foundation. He reports that not only has the law resulted in increased contributions but that it has given solicitors something new and interesting to talk about.

GASOLINE TAX REBATE

The law, enacted in 1968, provides for a rebate of state gasoline taxes paid by private colleges and universities for gasoline used in buses transporting to and from school and to and from student functions.

Evaluation

The law has been helpful in varying degrees depending on how many buses a college owns and how much it uses them. Such rebates have ranged from one or two hundred dollars per institution to as much as two thousand or more.

HIGHER EDUCATION FACILITIES AUTHORITY (enacted in 1969)

Legislation which created an authority to issue tax-exempt bonds for financing the construction of academic facilities at private colleges and universities. As of this date this authorization had not been used due to the current high level of interest rates and delays in implementing the program at the state level.

CONTRACT FOR SERVICES--DENTAL SCHOOL (enacted in 1969)

The authorizing legislation states, "The state shall pay annually upon application... to each accredited, non-public school of dentistry located within the state the sum of $2400.00 for each doctor of dental surgery degree, or doctor of dental medicine, earned by a Michigan resident." Next year's appropriation for the support of this program is $115,000.

Evaluation

The law will not only provide the University of Detroit some much needed financial aid but it is an important "breakthrough" for the concept of contract-for-services which may be enlarged upon in future years.

Michigan continued:

FUTURE PLANS

An effort will be made to increase the maximum tuition grant and maximum scholarship awards to $1000 or $1200. In addition, the legislature will be asked to remove the requirement that an applicant for a tuition grant participate in the scholarship competitive examination.

It is hoped to expand the purchase of services concept whereby the State would pay private colleges for each health professions degree granted a Michigan resident.

It is anticipated that the report of the Commission chartered by the State Board of Education to study private higher education will establish legislative directions for the near future; the report is due in the fall of 1971.

STATE AGENCY

President John L. Gaffney
Association of Independent Colleges and Universities of Michigan
830 Michigan National Tower
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Lansing, Michigan 48901 Telephone: 517-372-9160

Copies of bills affecting higher education, state plans, etc.,may be obtained from:

Dr. John Porter
Superintendent of Public Instruction
Department of Education
P.O.Box 420
Lansing, Michigan 48902

MINNESOTA

Minnesota Private College Council
Dr. Edgar M. Carlson, Executive Director
10 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101

STUDENT AID

The state has had a scholarship program (for the upper 25% academically) since 1967 and a grant-in-aid program since 1969, both funded at scarcely more than token levels. The 1971 legislature made changes in the definition of eligible students and to include persons over 25, persons who have had previous post-secondary education, and specifically junior college transfers; changed the basis of the grant from tuition

Minnesota continued:

and fees and $100 for books, to one-half of demonstrated need; changed the range from $200-$800 to $100-$1000.

Funding was increased as follows:

Scholarships 1971-72- $1,590,000
1972-73- $2,500,000 (1970-71-$875,000)
For the biennium-$4,090,000 compared to
$1,450,000 during the previous biennium.

Grants-in-aid 1971-72-$1,040,000
1972-73-$2,200,000 (1970-71- $600,000).
For the biennium-$3,240,000 compared to
$800,000 during the previous biennium.

Scholarships and grants for the biennium $7,330,000 compared to
$2,250,000 for the previous biennium.

INSTITUTIONAL GRANTS

The 1971 legislature passed a "private college contract" bill which authorizes the Higher Education Coordinating Commission to contract with private colleges for two specific services to the state: (1) the education of additional Minnesota students and (2) the education of low-income students. For each Minnesota student in excess of the 1970 enrollment of Minnesota students the state will pay an eligible institution $500 and for each low-income student who receives a state grant-in-aid the state will pay $500. The two payments are separate and unrelated. An eligible institution is one which is non-profit, is not a seminary or other institution established to require its students to take courses"based on a particular set of religious beliefs." Regulations have been established and are included. The above action included an appropriation of $2,700,000 for the biennium.

PLANNING AND COORDINATION

The Higher Education Coordinating Commission is a statutory agency which has both coordinating and administrative responsibilities. It engages in state-wide studies relating to post-secondary education, initiates and carries through planning programs, engages in continuing review of curriculum and programs, especially with respect to proposed changes, administers federal programs in behalf of the state, and administers the state scholarship and grant programs, as well as having responsibility for inter-institutional television and computer projects.

It developed out of a voluntary cooperating or "liaison" agency whose constituent members were the various systems of post-secondary education (university, state colleges, junior colleges, area vocational schools, and private colleges) to a partly citizen and partly professional group (2 representatives from each of the systems plus one representative from each of the eight congressional districts) and then to a

Minnesota continued:

wholly citizen body of eleven members, three being chosen at large. All are appointed by the Governor with the advice and consent of the Senate.

A higher education advisory coucil was established by the 1971 legislature-which made the above change to a fully citizen membership- to include the president of the University of Minnesota, the chancellor of the state college board, the chancellor of the state junior college board, the commissioner of education and the executive director of the Minnesota Private College Council. And its functions are as broad as those of the Commission but advisory only.

The 1971 legislature mandated curriculum review by the Commission of all new programs in public institutions as well as to "periodically review existing programs offered in or by the above institutions and recommend discontinuing or modifying any existing program, the continuation of which is judged by the commission as being unnecessary or a needless duplication of existing programs." The net effect of the above legislation is to substantially strengthen the role of the Higher Education Coordinating Commission.

FACILITIES AUTHORITY

The 1971 legislature provided for the establishment of a "higher education facilities authority" patterned after those in existence in a number of other states (the Ohio model was used). It provides for funding of construction, reconstruction and refinancing. It is not yet operative since the Governor has not appointed the members of the Commission.

OTHER ASSISTANCE

The HECC received appropriations of $165,000 annually for inter-institutional TV and private colleges are eligible to participate in limited ways. It also received $300,000 for the "mini-tex library program" which includes some private college libraries.

The state college board received a modest grant to begin a "college without walls" in the Minneapolis-St. Paul area, with instructions to request the assistance of private colleges as well as other institutions in setting up the program.

STATE AGENCY

Higher Education Coordinating Commission
400 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101

MISSOURI

Independent Colleges and Universities of Missouri
Mr. Charles V. Gallagher, Executive Director
607 North Grand Avenue, Suite 610
St. Louis, Missouri 63103

STUDENT AID

At the present time there is no program of state-supported student aid in Missouri. Effective July 1, 1971, the Missouri Commission on Higher Education turned over to the U.S. Office of Education the administration of the Guaranteed Student Loan Program. A gradual phasing out of the state-sponsored program began in June, 1971 .

FUTURE PLANS

Full emphasis will be given during the next legislative session to a tuition equalization program for students in undergraduate programs in the state. Representatives of the state's four private medical schools have said they will also seek passage of a bill which will aid medical students. The medical school bill was defeated in a vote in the House last session, while the tuition equalization bill died in a Senate economics committee.

Tuition Equalization Bill

The bill will be closely patterned after existing programs in other states. A Task Force appointed by the Governor, last year, found 8,667 vacancies in the state's private colleges and universities. As a result, the Task Force recommended that a student assistance program, based on need, be established in Missouri to aid students attending private or public institutions. As a result of the Task Force report, the private college campaign will key on the fact that Missouri's taxpayers can educate the State's youth at a lower cost per student by utilizing vacancies in the private colleges, than by expanding the heavily subsidized state system. Strongest opposition can again be expected from a segment of the Baptist hierarchy in the state. The opposition is based on two sections of the state constitution: one prohibits the granting or loaning of public dollars to private individuals, except in certain cases; the other is the argument of separation of church and state. In line with this latter objection, an ad hoc organization has been formed in the state to place a constitutional amendment on the ballot next November, which would in specific language prohibit any kind of aid to private schools, parochial or higher educational.

The tuition equalization bill was actively fought last session by leaders in the public college and university systems through a coalition

Missouri continued:

with the Baptist opposition. It is felt that the public sector's opposition was based on a misunderstanding of the bill, its purpose and effect. It is hoped that the public sector will support the bill this session.

Medical Schools Bill

If the medical schools retain essentially the same bill as last year, it will provide for grants of $4,000 per year to a private medical school in the state, for each Missouri student in attendance.

In return, the medical school will be required to reduce its tuition charges to Missouri students to the same level as that charged at the state's medical schools. The prime argument against the bill last session was that it would have aided the church-related institution's medical school.

STUDIES

"The Tucker Report"- a report of the Governor's Task Force on the role of private higher education in Missouri, issued in December, 1970.

"The Impact of Private Colleges and Universities on the Economy of the State of Missouri" published in late 1968.

"Report on the Status of Higher Education in the State of Missouri", published in 1967 by the Commission on Higher Education.

Copies of the above studies may be obtained by writing to:

Missouri Commission on Higher Education
Jefferson City, Missouri 65101
Telephone: 314-636-5185

Information on the Medical School bill may be obtained by writing to:

James I. Spainhower, President
Associated Medical Schools of Missouri
2228 Hillsdale
Jefferson City, Missouri
Telephone: 314-635-2102

NEBRASKA

Nebraska Association of Independent Colleges and Universities
Dr. Vance D. Rogers, Chairman
Nebraska Wesleyan University
Lincoln, Nebraska 68504

STUDENT AID

The Nebraska State Legislature, in session in 1970-71, passed the necessary legislation authorizing the State Investment Council to use some of their funds to provide direct loans to students attending public or private institutions of higher education within the State of Nebraska. The procedure for processing such loans has not yet been established. Further, the Nebraska Investment Council has not determined the amount of money they are willing to invest in a loan program of this type. They have committed themselves, however, to setting aside a certain amount and inaugurating the program during the 1971-72 academic year. There are no other financial programs involving tuition grants, scholarships or loans for student aid purposes in Nebraska.

INSTITUTIONAL AID

There is no provision to provide institutional aid for non-public colleges and universities.

LEGAL BARRIERS

It is the unofficial opinion of the Attorney General that the Constitution of the State of Nebraska is of such a nature that it will be constitutionally impossible to provide any type of financial assistance to educational institutions that are not owned, controlled, and operated by the State of Nebraska. He feels this same limitation will apply if there is a program providing financial grants to individual students allowing them to attend the institution of their choice.

FUTURE PLANS

Our organization has engaged a public relations firm and has prepared the preliminary draft of proposed legislation calling for a program of financial subsidy to students who are residents of the State of Nebraska, allowing them to enroll in a private college or university with a tuition equalization grant. This legislation will hopefully be introduced at the 1971-72 session the Legislature.

Inasmuch as we currently have no programs, it is not possible to evaluate any existing activity. However, it is important to state that the future is dominated by frustration and certainly will call for a great deal of hard work before our state adopts any program of financial assistance for students attending non-public educational institutions.

NEW JERSEY

Association of Independent Colleges and Universities in New Jersey
Dr. Alfred D. Donovan, Executive Director
1033 Springfield Avenue
Cranford, New Jersey 07106

STUDENT AID

The New Jersey State Scholarship Program, established 1959, provides competitive awards of up to $500 per year to 5% of in-state high school graduates of the preceding year. Scholarships may be used in independent or public institutions within the state or, with certain limitations, outside the state. In 1970-71 students in independent institutions in New Jersey received 2553 state scholarships valued at $1,265,000. The entire scholarship program has been funded for 1971-72 in the amount of $5,167,253.

Incentive grants, established in 1966, are made to holders of New Jersey State Scholarships who attend institutions in New Jersey which charge more than $500 annual tuition. Maximum awards are $500. In 1970-71, 2318 students in independent institutions in the state received incentive grants amounting to $1,141,900. The incentive program has been funded for 1971-72 in the amount of $1,475,363.

Tuition Aid Grants, established in 1969, are based on financial need and are awarded to students attending institutions in the State where tuition is in excess of $500. In 1970-71, 3712 students in independent institutions received TAG awards valued at $2,534,440. The entire program has been funded for 1971-72 in the amount of $3,384,000.

The County College Assistance Program provides aid to graduates of New Jersey county colleges who tranfer to four-year institutions and need assistance to meet expenses. Awards range from $500 to $1000. In 1970-71, 137 students in independent institutions in the state received awards valued at $119,000. The entire program has been funded for 1971-72 in the amount of $286,400.

The Educational Opportunity Grant Program, established in 1968, provides grants of up to $1000 to economically and educationally disadvantaged students. In 1970-71, 731 students at New Jersey independent institutions received grants under this program amounting to $731,000. In addition, the institutions received $341,000 for program support and $115,866 for summer programs. For 1971-72, Opportunity Grants have been funded for $9,748,000 and supplementary educational program grants for $2,880,000.

New Jersey continued:

FACILITIES AUTHORITY

The New Jersey Educational Facilities Authority provides a means of borrowing funds for construction of facilities. Income from bonds issued by the Authority is tax-free and interest rates on loans are, therefore, relatively low.

EVALUATION

The Association of Independent Colleges and Universities in New Jersey regards all these programs as important. Of especial value is the Tuition Aid Grant program which tends to enable students preferring to attend independent institutions to do so by contributing to the differential in tuition costs between independent and public institutions.

FUTURE PLANS

AICUNJ has made a major effort this year to secure a program of direct state aid to independent colleges and universities. The State Board of Higher Education has formally endorsed and adopted the principle of public financial assistance to New Jersey independent institutions. As of September 1 the Board has not yet endorsed a specific method of supplying aid. Several methods advanced by AICUNJ are now under consideration.

STATE AGENCIES

Dr. Elizabeth Ehart, Director
State Scholarship Commission
65 Prospect Street
Trenton, New Jersey 08625

Mr. William Nester, Secretary
State Higher Education Assistance Authority
65 Prospect Street
Trenton, New Jersey 08625

Miss Juanita High
Educational Opportunity Fund
225 West State Street
Trenton, New Jersey 08625

Mr. Edward Bambach, Director
New Jersey Higher Educational Facilities Authority
225 West State Street
Trenton, New Jersey 08625

NEW YORK

Commission on Independent Colleges and Universities, State of New York
Dr. John I. Kirkpatrick, President
2 Wadhington Square Village B-1
New, New York 10012

STUDENT AID

Regents Undergraduate Scholarships Program: This competitive scholarship program, established in 1913, provides five different types of scholarships for use in New York State. In the 1971-72 academic years, 84,266 scholarships with stipends ranging from $250 to $1000, based on financial need, will be awarded at a cost of $29.7 million.

Regents Professional Scholarships Program: This competitive scholarship program provides 400 medical-dental and 35 osteopathic scholarships. The stipends, based on financial need, range from $350 to $1000 per year. Up to 120 of the medical scholarships are reserved for students who agree to serve in areas designated as having a shortage of physicians. The stipends for these special medical scholarships provide $1000 for the first year of study and up to $4000 for each of the succeeding three years, depending on financial need.

Scholar Incentive Program: This non-competitive student grant program, established in 1961, provides student grants up to $600 according to financial need for use in New York State. In the 1971-72 academic year approximately 250,000 students will receive awards for a total cost of $44.1 million.

Educational Opportunity Funds: This $44.8 million program is designed to increase opportunity for over 16,000 economically and educationally disadvantaged students. 6.2 million dollars is allocated for over 5,000 students enrolled at private institutions, $11.6 million is allocated for over 6,000 students attending the State University and 27 million dollars, shared equally by the State and City of New York, is allocated for 7,000 students enrolled at the City University.

Grants for Teacher Training: An appropriation of $318,000 provides grants for in-service teacher training, training of teachers of the handicapped, teacher training in non-western studies and urban teacher training programs.

Higher Education Assistance Corporation: This non-profit corporation was created by the Legislature in 1958 to enable students to borrow up to $20,000 in loans guaranteed by the State. In the 1970-71 fiscal year, the Corporation guaranteed 117,000 loans totaling $106 million. Students who borrowed after April 1, 1969 are responsible for all interest up to 7 per cent. Since its establishment, the

New York continued:

Corporation has guaranteed 838,093 loans totaling $746 million.

INSTITUTIONAL GRANTS

Degree Program: In 1968, the New York State Legislature authorized grants to independent colleges and universities based upon a formula providing $400 for each graduate and master's degree awarded in the previous year, and $2400 for each doctorate. The 1971-72 appropriation is $26.9 million.

Medical Student Program: In 1970, the Legislature approved a program of grants to non-public medical colleges based upon a formula which provides $1,500 for each full-time student in an approved program leading to a degree of Doctor of Medicine. The 1971-72 appropriation for this program is $3.6 million.

CONTRACTS

Nursing Contracts: A contract program to expand nursing enrollments was established in 1966 and is currently funded at $2.5 million. Payment to schools for each additional enrollee is based on a formula which provides public community colleges $300, private junior colleges $1000, hospital school diploma programs $2000, and baccalaureate programs $2500 per additional student enrolled.

In addition to this program, $345,000 is budgeted to continued support of two other nursing contract programs; a refresher training course for those returning to the profession, and special qualification courses for foreign trained nurses who want to receive a New York State Professional Nursing License.

Medical and Dental Expansion Program:

This expansion aid program, initiated in 1966, is designed to meet the critical need of more manpower in the medical professions. The medical colleges receive $6000 for each medical student by which total enrollment is increased up to a maximum of 25 per class or 100 per school. Dental colleges receive a grant of $3,000 per increased student. Both types of colleges also receive capital grants based upon the size of enrollment and their capital program. The 1971-72 appropriation is 6.7 million dollars.

ENDOWED CHAIRS

Five Einstein Chairs in Science and five Schweitzer Chairs in the Humanities at $80,000 each are provided through this $800,000 annual appropriation. Seven of these chairs are at private universities, two at the State University and one at the City University of New York.

New York continued:

FACILITIES FINANCING

New Facilities: The Dormitory Authority of the State of New York has provided funding through tax-exempt bonds for the construction at private colleges of residential and attendant facilities since 1955 and academic facilities since 1959.

Major Rehabilitation: In 1970 the powers of the Dormitory Authority were extended to provide funds to private colleges through loans to finance deferred major maintenance, such as remodeling, restoration and modernization of educational buildings.

STATE AGENCY

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Association of Colleges and Universities of the State of New York
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NORTH CAROLINA

North Carolina Association of Independent Colleges and Universities
Mr. Virgil L. McBride, Executive Director
BB & T Building Suite 915
333 Fayetteville Street
Raleigh, North Carolina 27601

STUDENT AID

The state study of private higher education in North Carolina was completed in January under the direction of the State Board of Higher Education and in cooperation with the North Carolina Association of Independent Colleges and Universities. This study, entitled "Private Higher Education in North Carolina: Conditions and Prospects, a Study of Enrollment, Finances, and Related Subjects, 1965-1970" had been authorized in 1968 and was requested further by the Governor, the Honorable Robert W. Scott, in the summer of 1970. In addition, the Legislative Study Commission on Student Financial Aid, which was authorized by the 1969 General Assembly produced Report and Recommendations Parts I and II on March 2, 1970. These studies were endorsed and accepted by the State Board of Higher Education and recommendations were made to the Governor and to the General Assembly. In summary, the Board recommended full funding of the Legislative Study Commission recommendation of total financial aid to needy North Carolina students, but if that were not fully funded, the Board recommended a contractual arrangement with private institutions whereby scholarship funds would be provided to needy North Carolinians.

North Carolina continued:

LEGISLATION ADOPTED

An enabling bill was passed authorizing the State Education Assistance Authority to expand the bond sale level to a maximum of $50 million as per SB 497. The appropriations for this bill amounted to $1 million only, however, which has the effect of making an additional $10 million of loan funds available in the coming academic year. A second enabling bill was passed, HB 780, entitled "An Act to Utilize the Resources of Private Colleges and Universities in Educating North Carolina Students". It has two purposes: (1) to sustain the present North Carolina student enrollment on private college campuses, and (2) to encourage additional North Carolinians to enroll in order to fill as many vacancies as possible on the private colleges campuses. The appropriations bill, SB 732, carried a funding level of $1,025,000 to be distributed in the fall of 1972 to the institutions and subsequently to North Carolina students based on need. The formula for distributions is $450,000 to be distributed to new North Carolina students at private colleges over and above the enrollment as of October 1, 1970. The intent is to gain an additional 1,000 students. The other portion, $575,000 is to be distributed based on the number of North Carolinians enrolled as of October 1, 1970. Each institution must disburse to needy students an amount equal to that received. It is, therefore, a program of aid to students with the effect of indirect aid to institutions by providing students who can pay. Ideally, all of these programs will work together and with the utilization of previous programs of aid, a financial aid package can be arranged for each needy student.

RATIONALE

These programs represent a saving to the state by utilizing the resources of private institutions at a cost far less than the cost to the state of approximately $1,283 a year for each student at a public senior college or university, and approximately $750 for each student in the state's community college system. These figures are for current operating expenses alone and would be considerably more when capital expenditures are included. In addition, it is well said that when funds are saved in this manner, more will be available to the public institutions on a per capita basis.

STATE AGENCY

State Board of Higher Education
P.O. Box 10887
Raleigh, North Carolina 27605

NORTH DAKOTA

The North Dakota Council of Independent Colleges
Dr. Roy Joe Stuckey, President
Jamestown College
Jamestown, North Dakota 58401

CURRENT PROBLEMS

At the present time there is no legislation in North Dakota providing state assistance to independent colleges or their students.

The association plans to seek enactment of a bill by the 1973 legislature to provide tuition equalization grants to students attending p private colleges. There is no legal or constitutional barrier to such aid.

OKLAHOMA

Oklahoma Association of Independent Colleges and Universities
Mr. Edward C. Keefe, Executive Secretary
210 Cameron Building
2915 Classen Boulevard
Oklahoma City, Oklahoma 73106

STUDENT AID

The 1971 Oklahoma legislature approved a bill providing grants of up to $500 per student, the specific amount to be based upon need. The maximum grant may not be for more than 50% of the tuition and/or fees at a given public or private college or university. The legislature did not appropriate funds to implement this legislation but bills will be introduced to fund the program in the 1972 session of the legislature.

INSTITUTIONAL AID

At the present time there are no programs to provide institutional aid or facilities assistance in the State of Oklahoma.

LEGAL BARRIERS

No legal barriers have thus far been suggested by those who opposed the student grant legislation.

FUTURE PLANS

The funding of existing legislation has the first priority in the plans of the association. When this goal has been accomplished, the objective will be to enlarge the program.

OHIO

Association of Independent Colleges and Universities of Ohio
Mr. Richard W. Shoemaker, Executive Director
50 West Broad Street
Room 1134
Columbus, Ohio 43215

STUDENT AID

The Ohio Student Loan Commission was created by legislation in 1961 and has been in operation since 1962. During the years since its creation it has increased in effectiveness and in services rendered primarily because of continual efforts to enact legislative improvements as needed. To date approximately 70,000 loans have been handled by this commission. The commission "operates" on the fees which all borrowers pay; one half percent per annum on the principal of the loan over the period of the initial in-school note. With this income the commission has always paid its own way, including all defaults, and has "earned" $606,537 since 1963. In 1969 the maximum loan amount was increased from $1000 to $1500. During 1970, the amount under guarantee rose from $41,970,724 to $59,579,639, an increase of 42%.

The initial Ohio Instructional Grant (OIG) Legislation was enacted in 1969. $8.5 million was allocated by the General Assembly for instructional grants during the 1970-71 academic year. $2.5 million was earmarked for use by Ohio students at Ohio colleges and universities with annual instructional charges of less than $1000 (public institutions) and $6 million was designated for students at Ohio schools with instructional charges of $1000 or more (private institutions). A complex formula involving adjusted effective income (up to $10,000) and the number of children in the family determines the size of each grant. These grants range from a minimum of $50 to a maximum of $300 at public schools and from $100 to $900 at the independent campuses.

OIG statistics now available reveal that $4,571,588 was utilizied in 1970-71 to provide financial assistance for 14,904 students. Of that total 10,176 students attended public institutions and received $2,000,905 in grant assistance for an average of $196 per student. 4,728 students attending private institutions received $2,570,683 in IOG funds for an average grant of $534. The utilization of IOG funds during its first year was considerably below the number of dollars appropriated for a variety of reasons. Since it was a new program, there was a considerable lack of knowledge about the grant program among those eligible for receiving financial assistance. In addition, weaknesses in the original bill prevented greater utilization. The restricted dollar value of each grant and the fact that all those

Ohio Continued:

eligible for larger grants were from low income families contributed to the limited usage of this program. It is known that grants were turned down because some recipients couldn't afford to accept them without other aid which was not always available. Undoubtedly, many never applied because they did not have the necessary resources to make up the difference.

New OIG legislation, now being considered as part of H.B. 475, has incorporated several improvements. The maximum grants levels have been raised to $1200 at private institutions and $510 at the public institutions. The adjusted effective income has been increased $1000 to the maximum level of $11,000 and the formula for adjusting the grant size based on the number of dependent children in the family, is more realistic now.* H.B. 475 has passed the House with the appropriation for IOG approved at the full funded level of $15 million for each year of the biennium. Its fate is now in the hands of the Senate which is beset with huge problems as it tries to establish an increased taxation measure for funding all of the desired programs.

FACILITIES ASSISTANCE

Legislation creating the Ohio Higher Education Facility Commission was enacted in 1968. The commission's purpose is to provide educational facilities for Ohio's private colleges and universities. Such facilities, built by the commission, must be financed by the commission's sale of revenue bonds. The debts thus incurred are retired by rental payments to the commission from the participating private institutions.

The commission is an agency of the State of Ohio. Present laws permit such agencies to handle bonds with income tax free interest which normally sell on the market at lower interest rates. This is an attractive financial program because the private colleges and universities become the ultimate beneficiaries of construction cost reductions resulting from utilization of low interest bonds. Provisions are made so that title and ownership to the facility and its site can be acquired by the college as soon as the institution's payments have retired bonds which financed the construction.

The nine commission members receive no compensation for their services. The payment of all expenses and charges for each project is incorporated in lease-back arrangements with the appropriate institutions.

The full effectiveness of this commission's services cannot be evaluated as yet. It is so new that only a few independent colleges have been able to utilize its facilities. It would appear, however, that usage would increase along with expansion of the various institution's needs and their ability to acquire necessary funding.

*The latest OIG need estimates by financial aid officers indicate some $15 million will be required for 1971-72.

Ohio Continued:

FUTURE PLANS

The AICUO sponsored "Ohio Study" was completed by the Academy for Education Development early this year. This was intended to be the first step in a long range program for improving higher education in Ohio. Entitled "Toward an Effective Utilization of Independent Colleges and Universities by the State of Ohio" it provided for the first time a huge collection of facts about the private sector of higher education in Ohio and a series of recommendations for strengthening its future capability to serve the public interest.

Legislative effort for improvement of the OIG program is a continuing activity. In addition a series of other legislative proposals (some already introduced as bills from other sources) are being evaluated relative to the Ohio Study findings by several AICUO committees. In fact, one committee is already completing the first annual update of Ohio Study statistics which originally included fact inputs from 1960 through 1969-70 and advance projections to 1980.

STATE AGENCY

Ohio State Board of Regents
Dr. John O. Millett, Chancellor and Director
88 E. Broad Street, Room 770
Columbus, Ohio 43215

OREGON

Oregon Independent Colleges Association
Dr. Jim Sullivan, Executive Director
Lewis and Clark College
LC Box 196
Portland, Oregon 97219

STUDENT AID

The State Scholarship Commission administers the various programs of student aid. The appropriation for the current biennium is $2,500,000. $500,000 of this is earmarked for students attending public community colleges. The remainding $2 million can go to a student attending any accredited college or university; $1,500,000 is for a "Need Grant Award" allocated on the basis of family income with the maximum grant being $500. The remaining $500,000 is the a "Cash Awards Program" with scholarships going on the basis of scholastic achievement, but with need also being necessary to qualify.

INSTITUTIONAL AID

The State Scholarship Commission also administers a new program of direct aid to accredited independent colleges and universities in Oregon. $2,000,000 has been appropriated for this program for the current biennium. The State is authorized to contract with all accredited independent colleges for the secular education of Oregon residents. The State will then pay each institution up to $250 for every 45 quarter hours or equivalent of such secular education completed. In effect, then, the State will reimburse each college $1,000 for every student completing four years of undergraduate education.

EVALUATION

The student financial aid program is well administered but is very much under-financed. Under the previous law almost all of the student financial aid funds were earmarked exclusively for students attending state system schools. The present law changes this so our students can compete for almost all of the grants. An increase in funding, therefore, is our prime goal now.

LEGAL BARRIERS

The Constitution of Oregon prohibits the expenditures of money for the benefit of any religious or theological institution. Two different attorney generals' opinions-one by the current office holder and the other by his predecessor-indicate that both the present student aid law and the institutional aid law are constitutional.

Oregon continued:

STATE AGENCIES

Dr. Floyd K. Stearns, Executive Director
Educational Coordinating Council
4263 Commercial Street S.E.
Salem, Oregon 97310

Mr. Jeffrey Lee, Executive Director
State Scholarship Commission
1445 Willamette Street
Eugene, Oregon 97401

Mr. Clay Myers
Secretary of State
State Capitol
Salem, Oregon 97310

PENNSYLVANIA

Commission for Independent Colleges and Universities
Dr. Keith Spalding, Chairman
President's Office
Franklin and Marshall College
Lancaster, Pennsylvania 17603

STUDENT AID

Pennsylvania has the second largest student financial aid program among the states, funded this year at $55.4 million. The major program is the State Scholarship Program which is directed to students in higher education and for which eligibility consists of a minimum combined SAT score of 800. The amount of the individual award is based upon need in relation to the total college cost less parental contribution. The maximum award is $1200 at a Pennsylvania institution and $800 out-of-state. 50% of need is met for families with less than $8000 annual income and 33 1/3 % of the need if the family income is $8000 or over.

Pennsylvania also has an Education Incentive Program to assist needy students who do not meet the required minimum test score. There are also special programs of assistance for nursing, technical and vocational education, etc.

STATE STUDY

The independent colleges and universities of Pennsylvania financed a study of the financial condition of independent higher education in the Commonwealth of Pennsylvania, made by McKinsey and Co. and published in February, 1971. It is expected that a legislative program based upon the findings of the study will be developed for submission to the legislature.

Pennsylvania continued:

STATE AGENCY

Mr. Kenneth R. Reeher, Executive Director
Pennsylvania Higher Education Assistance Agency
Towne House
Harrisburg, Pennsylvania 17102

SOUTH CAROLINA

South Carolina College Council
Mr. J. Lacy McLean, Executive Vice President
1110 Daniel Building
Greenville, South Carolina 29602

STUDENT AID

Tuition Grants Program: Awards based on merit and need are made to students attending independent colleges in South Carolina. The amount of the award is based on the "per student appropriation" at the state-supported colleges. (Approximately $1300) The program is administered by the Higher Education Tuition Grants Committee, 1110 Daniel Building, Greenville, South Carolina 29602. The committee consists of the presidents of eight independent colleges and two legislative members. A state Supreme Court decision eliminated all church-related colleges, leaving only four independent colleges eligible. The 1971-72 appropriation is $50,000.

INSTITUTIONAL AID

State Purchasing office: This bill gives the independent colleges authority to purchase from the State Purchasing Office and to utilize contracts negotiated by the office. No funding is involved, but substantial saving to the independent colleges have resulted.

Teacher Training Program: The state contracts with independent colleges to provide training for public school teachers. Total appropriation for 1971-72 is $200,000, administered by the Commission on Higher Education, Rutledge Building, Columbia, South Carolina. Participation of the independent colleges is coordinated by the South Carolina Colleges Council, Inc.

Bond Authority: Independent colleges were granted permission to issue tax-exempt bonds for construction of physical facilities by legislation patterned after the Massachusetts bill. The state Supreme Court upheld the constitutionality of the act in a 1971 ruling.

Practice Teaching Fees: The state compensates public school teachers for supervising "practice teaching" of undergraduates at the independent colleges. Appropriation for the compensation is $100,000. Administered by the State Department of Education, Rutledge Building, Columbia, South

South Carolina continued:

Carolina.

The State Education Assistance Authority: The authority was created and authorized to issue revenue bonds to make or guarantee repayment of loans to students at institutions of higher learning or vocational schools. Copies available from Commission on Higher Education, Rutledge Building, Columbia, South Carolina. (Printers No. 756-H)

FUTURE PLANS

The Commission on Higher Education is compiling a ten-year plan to be completed by November 1971, staff directed with committees from public and private colleges participating.

SOUTH DAKOTA

South Dakota Association of Private Colleges
Dr. Fred S. Honkala, President
Yankton College
Office of the President
Yankton, South Dakota 57078

STUDENT AID

Other than special financial aid programs intended to assist the children of veterans, blind students attending state higher educational institutions, and Indians, there is no general student financial aid program in South Dakota.

FUTURE PLANS

A tuition grant bill, almost identical to that adopted by the state of Iowa, was introduced into the 1970 legislature but failed passage. The South Dakota Association of Private Colleges presented its case before the Joint Appropriations Committees of the Senate and House and held a dinner for key leaders of the legislature including the Lieutenant Governor and the members of the Appropriation Committees. Although no formal presentation was made at this dinner, it did give an opportunity for the legislators to meet with college presidents and to learn of the needs of private higher education in South Dakota.

Similar legislation was introduced in the legislature in January, 1971. This legislation fared somehwat better than the 1970 legislation which was not reported out of committee. The bill was sent onto the House floor, where it was defeated by a 2-1 vote. It may have been placed at a disadvantage having been considered and reported out of committee along with a bill, which was also defeated, to provide aid for private elementary and secondary school students.

South Dakota continued:

Another attempt will be made in the short legislative session this coming January, 1972. It is felt that the Tilton vs. Richardson Supreme Court decision will leave the field to the college legislation.

TENNESSEE

The Tennessee Council of Private Colleges
Mr. Nyles C. Ayers, President
1719 West End Building
Nashville, Tennessee 37203

STUDENT AID

The 1971 Tennessee General Assembly passed legislation establishing the Tennessee Student Assistance Agency to administer a Tuition Grant Program. Grants would be limited to tuition and fees, would be based upon financial need and could be used at any accredited public or private college or university. The maximum grant would be $1000. The legislature did not appropriate funds to implement this program but it is expected that funding will be forthcoming in the 1972 session of the General Assembly.

FUTURE PLANS

The primary goal of the Council will be the funding of the above authorization at appropriate levels. The original legislation called for $5 million for grants and $50,000 for administrative costs.

The Tennessee Higher Education Commission has proposed, as an alternative to building a new medical school, the establishment of contractual arrangements with Meharry and Vanderbilt Medical Schools.

TEXAS

Independent Colleges and Universities of Texas, Inc.
Mr. Robert D. Hunter, Executive Vice President
Abilene Christian College
ACC Station, Box 7844
Abilene, Texas 79601

STUDENT AID

The 1971 session of the Texas legislature passed a bill authorizing the Coordinating Board, Texas College and University System, to award Tuition Equalization Grants of up to $600 to Texas resident students attending the independent Texas college or university of their choice. The grants are based on financial need and are payable to the student for tuition only at the business office of the accredited institution attended. Freshmen only are eligible in the 1971-72 school year with

Texas continued:

sophomores to be added in 1972-73, juniors in 1973-74, and seniors in 1974-75.

This legislation was funded with an appropriation of $1 million for the first year of the biennium and $3 million for the second but the Governor vetoed the entire second half of the appropriation bill for all state operations, so the second year appropriation will be requested in the special session ahead.

OTHER LEGISLATION

A companion bill proposing that the state contract for educational services with independent institutions was voted out of committee favorably but did not reach the floor. Because of the growing disparity between public and private college tuitions, the Association placed primary stress on the tuition grant bill.

STRATEGY

A concerted effort was launched by the 40 member institutions of ICUT in the fall of 1970 with meetings being held all over the state to inform all members of the legislature about the proposed legislation. This activity was intensified once the legislature convened with highly personalized legislative contacts by administrators, faculty, students, alumni, trustees and other friends of the independent sector. Lieutenant Governor Barnes and House Speaker Mutscher gave personal leadership to the tuition grant bill despite strong opposition in both houses.

STATE AGENCY

Coordinating Board, Texas College and University System
Dr. Bevington Reed, Commissioner
Carrol Knight, Director of Tuition Equalization Grant Program
P.O. Box 12788, Capitol Station
Austin, Texas 78711

VIRGINIA

Council of Independent Colleges of Virginia
Mr. D.A. Holden, Executive Director
P.O. Box 3444
122 West Main Street
Charlottesville, Virginia 22903

STUDENT AID

Most student aid in Virginia is categorical and can best be described

Virginia continued:

under the following headings:

1. State Teacher Scholarships are essentially loans if the recipient teaches in the state one year for each year the scholarship is given. There are 7000-8000 awards per year at about $300 each. Most go to students in the public institutions but some go to students enrolled in private non-sectarian colleges.

2. Nursing Scholarships have similar conditions to Teaching Scholarships. 100 are awarded per year.

3. Dental Hygienist Scholarships are similar to Nursing Scholarships and about six are awarded per year.

Virginia public institutions are permitted to remit tuition fees for about 1500 students per year and scholarships for medical training are also awarded.

PRIVATE COLLEGES

No state aid is given to private colleges and universities other than exemption from property and sales taxes. A constitutional change was recently made which will permit the establishment of a state bonding authority through which private colleges may borrow for facilities construction. Enabling legislation is contemplated next year. Another constitutional change will permit the state to make loans to students attending private colleges "whose primary purpose is to provide collegiate or graduate training and not to provide religious training or theological education."

LEGAL BARRIERS

The Virginia constitution not only forbids appropriations to any organization "controlled" by a church but it also bars any appropriation to a charitable institution not controlled or owned by the Commonwealth.

FUTURE PLANS

The Association is working on a program to obtain assistance to Virginia residents who wish to attend accredited private colleges in Virginia.

WASHINGTON

Washington Friends of Higher Education
Mr. Don S. Patterson, Executive Director
Room 221, 24645 Pacific Highway South
Kent, Washington 98031

Washington continued:

LEGISLATIVE ACTION

The 1969 session of the legislature, which initiated the beginning of a student aid program, also established a permanent Council to deal with matters pertaining to higher education. One of the five priorities set by this body for its first biennia of work was a study of certain aspects of private higher education. The purpose of the study was to assess current financial conditions, inventory instructional resources and available space on private campuses which might be used through some new and different public-private relationships.

The study accented the belief that private campuses were serving in the public interest and their future well-being was of importance to the state. The Council concluded that direct, immediate assistance was necessary and essential. The study then set forth several long and immediate ranged goals. These were as follows: (1) revision of the state constitution so more direct types of state assistance would not be legally questionable as now seems to be the case in many instances; (2) a program of grants to all resident students attending private institutions; (3) to design certain pilot programs whereby the state may contract for such needed instructional services as for nursing, legal and certain essential health programs where there are current shortages of personnel.

From the recommendations of the study additional legislative steps were realized during the 1971 regular and special legislative sessions. These were as follows:

Student Aid Program- The student aid program was continued and funds more than doubled for the 1971-73 biennia. This will mean aid for more than twice as many students with a financial need. Students can still attend higher institutions of their choice within the state.

Tuition Supplement Program- A new program which grants up to $100 per student for every full-time undergraduate resident attending an accredited private higher institution within the state.

Clarification of Tax Exempt Status of Private Higher Institutions- One new county assessor of the state put pressure on two private campuses in his jurisdiction requesting taxes to be paid on student housing, food services, student unions, field houses, etc. Throughout the history of private higher education in the state such items had always been exempt from taxation. A bill was introduced in the late days of the special session clarifying what most persons already took for granted. The new legislation specifically spells out the tax exempt status of private higher institution properties and services essential to carrying out their intended and state chartered roles.

If this legislation had not been enacted it is conceivable the private

Washington continued:

higher institutions would have been faced with millions of dollars in taxes considering the three year back tax statute or period of limitation in the threat being referred to in one county.

This seeking to broaden the tax base is a reality in this state. It is very likely the same effort will become a reality in all states during the next year or two.

General Authorization for State Contracting for Higher Education Services- The bill which would have authorized general contracting between the private campus and the state got through the House with little difficulty but died in Rules in the Senate. It would have passed the Senate also but got sidetracked because of the tax-exempt status dilemma which arose quite suddenly near the end of the special session.

Contracting for Nurses with Private Higher Institutions- This died in the House Appropriations Committee because of the financial condition of the state. The Council's report of need for degree nurses in the state generated wide support for the idea but shortages of funds for current state services and programs made it difficult to initiate any new programs at this time.

Contracting for Law Students- This had less legislative support but the fact Washington has only one law school and limits enrollment each year gave it a chance of passage. But funds again prevented its movement beyond the Appropriations Committee of the House.

Resolution Calling for State Vote for Periodic Review of Tax Exemptions- A joint house resolution was passed which will make periodic, not to exceed ten years, reviews of all tax-exempt properties mandatory in the state. Properties used exclusively for religious or educational purposes were excluded from the resolution before its final passage.

Unemployment Compensation Covers Private Campuses- An unemployment compensation bill was passed as federally influenced. This makes it mandatory for the private higher institutions to participate beginning January 1, 1972. The business managers had a part in drafting the state act. Most of their suggestions were incorporated so administering this new responsibility on each campus will be much easier than it otherwise could have been.

Workmen's Compensation Act- Another case of broadening of certain workmen's benefits nationwide resulted in state legislation requiring the private higher institutions for the first time to assist employees with the various types of industrial insurance coverage.

WEST VIRGINIA

West Virginia Association of Private Colleges
Mr. Arthur P. Dunlap, Acting Coordinator
P.O. Box 8276
South Charleston, West Virginia 25303

STUDENT AID

The West Virginia Board of Regents is authorized to award a state scholarship to a resident of West Virginia who is admitted to an approved institution of higher education and who meets the qualifications for financial need, character and academic promise and achievement. The minimum scholarship award is $100 per academic year and the maximum is $600 (Current legislation allows a maximum of $900 but inadequate funding prompted the decision to hold the maximum at $600 this year).

EVALUATION

In 1968-69 only $25,000 was made available by the legislature to implement the program. In 1969-70 the dollar amount was raised to $175,000, $250,000 was appropriated for 1970-71, and $300,000 for 1971-72. Thirty-one initial grants and seventy-eight renewals were made to students attending private colleges as compared to three hundred thirty-one initial grants and five hundred fifty-eight renewals to those attending public institutions in fiscal year 1971-72. The one hundred nine who attended private colleges each received a $600 grant- 21.8% of the total appropriation of $65,400.

FUTURE PLANS

The West Virginia Association of Private Colleges plans to work closely with the Board of Regents and the Chancellor's office as well as with the legislature to encourage a sharp increase in total annual appropriation for the state scholarship program.

Also, plans are under way to develop plans for maximum utilization of federal and hopefully perhaps supplementary state programs to encourage more students to enroll in West Virginia's independent colleges.

STATE AGENCIES

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West Virginia Association of Private Colleges
Alderson-Broaddus College
Philippi, West Virginia 26417

Dr. Prince Woodard, Chancellor
West Virginia Board of Regents
Charleston National Plaza, Charleston, West Virginia 25301

WISCONSIN

Wisconsin Association of Independent Colleges and Universities
Dr. Robert H. DeZonia
110 East Main Street
Madison, Wisconsin 53703

STUDENT AID

Tuition Grant Program- As of August 30, 1971, hoped-for improvement in the landmark tuition grant program, launched in 1965 to offset the difference in tuition between the public and private sectors of Wisconsin higher education, was still being delayed by a legislative stalemate involving the Democratic governor and House and Republican Senate. Passage of budget-tax compromise package by a six-man conference committee on a 5-1 vote late in August, however, suggests that it will not be too long before Wisconsin has a 1971-73 budget and a tax program to fund it.

Contained within the report of the conference committee is a recommendation that the legislation governing award of tuition grants be amended to provide considerable improvement. The 1965 legislation was first amended in 1969. The Wisconsin Association of Independent Colleges and Universities has worked diligently to secure improvement both in 1969 and 1971, despite a general atmosphere of hostility toward higher education expenditures, most particularly those for state institutions of higher learning.

The tuition grant program began on a phase-in basis (one class per year) in the fall of 1965, when 939 students were funded at a cost of $293,847; the average award for those freshmen was $313 per year with a maximum award of $500 possible for the student demonstrating greatest need. Need is scaled according to family income after deductions are taken. After four full years of operating with a maximum award of $500 (and an average award of still only $311 for 5,680 students, freshmen-seniors) WAICU sought a change in the 1969 session of the legislature. The ceiling was raised to $650 per year and the number of income categories was compressed to permit students to receive larger individual awards. During 1969-71 the freshmen and sophomores eligible for the larger grants received awards averaging about $440.

The 1971-73 proposal, if adopted by the legislature, will raise the maximum award to $900 per academic year. Income groups are compressed even more, so individual benefits from the program will be even more favorable. The proposal has the approval of the conference committee, whose report cannot be amended by either house. It is likely the conference report will be adopted by both houses because Wisconsin is operating two months into the new fiscal year on the 1969-71 spending level. The recommended schedule vs. the 1969 schedule is noted here

Wisconsin continued:

to illustrate the changes sought:

Current Schedule		Recommended Schedule	
Taxable Income	Grant	Taxable Income	Grant
0-5,000	$650	0-$6,000	$900
5,001- 6,000	500	6,001- 8,000	700
6,001- 7,000	400	8,001-10,000	500
7,001- 8,000	300	10,001-12,000	300
8,001- 9,000	200	12,000+	0
9,001-10,000	100		
10,000+	0		

Please note that the income category of $10,001-12,000 has been added. This is a significant step toward helping the middle income student seek his educational goals in an independent institution.

Unfortunately, the recommended program will not go into effect until September of 1972. Both WAICU and the State Higher Educational Aids Board (HEAB) had sought the program improvement for September of 1971, but the Governor recommended a delay until the second year of the biennium.

It should be noted that HEAB, which is composed of five representatives from the private sector, five from the public sector, and five citizens nominated from the general citizenry by the Governor, was strong in support of the tuition grant program, and HEAB staff were of great help in promoting the favorable reaction by conferees.

During 1970-71 the state of Wisconsin funded tuition grants with $2,338,194. The 1969-91 biennial total was $4,327,138.

Honor Scholarship Program. While the tuition grant program is non-competitive, benefitting only students in the private sector, the honor scholarship program is based on competition, and awards are given to top-ranking students in Wisconsin high schools. Prior to 1965 these awards were available only to students attending state colleges or universities. The maximum award is $800, the amount being based upon need as determined by CSS procedures. For the last five years the state has appropriated between $650,000 and $750,000 for honor awards. In 1970-71 1,912 awards were made at a cost of $686,234. Of this number, 312 (17%) attended independent institutions. The average award was $392.

EVALUATION

Improvements sought in the current tuition grant program go a long way toward meeting the state goals of freedom of choice and diversity of educational opportunity enunciated by HEAB several years ago. Something must be done, however, to accelerate the phase-in process if the improve-

Wisconsin continued:

ments are to be of substantial influence in choice of institution in the next year or so. The availability of the honor scholarships to students attending private institutions has been gratifying. About 300 students annually, representing approximately 17% fo those receiving awards, have chosen to use their awards in an independent institution.

FUTURE PLANS

WAICU will be evaluating programs of other states which may prove to be of value in terms of institutional aid format. The Bundy experience in New York, the new Oregon plan, and the like, will be examined. Wisconsin currently subsidizes the Medical College of Wisconsin, Inc., formerly the medical school of Marquette University, so some precedent may exist. The Governor's recommended budget for 1971-73 included $3.8 million for MCOW.

STATE AGENCIES

For copies of legislation: Mr. Michael Vaughn
Legislative Reference Bureau
State Capitol
Madison, Wisconsin

Higher Education Aids Board
115 West Wilson Street
Madison, Wisconsin 53703